

Name \_\_\_\_\_ Date \_\_\_\_\_ Period \_\_\_\_\_

**Pricing Strategies**  
**Chapter 26**  
**Sec. 26.2 – Setting Prices**

**Pricing Techniques**

**Psychological Pricing** – techniques that create an \_\_\_\_\_

- Odd-Even Pricing
    - \_\_\_\_\_ numbers convey a \_\_\_\_\_ image -- \$.79, \$9.99, \$699
    - \_\_\_\_\_ numbers convey a \_\_\_\_\_ image -- \$10, \$50, \$100
  - \_\_\_\_\_ Pricing – sets a \_\_\_\_\_ than average price to suggest status
  - Multiple-Unit Pricing – \_\_\_\_\_
  - Suggests a \_\_\_\_\_ and helps increase sales volume.
  - \_\_\_\_\_ than selling the same items at \$.33 each.
  - Bundle Pricing – several \_\_\_\_\_ products sold at a single price.
    - \_\_\_\_\_
    - \_\_\_\_\_
  - \_\_\_\_\_ Pricing – used with sales promotion
    - Back-to-school specials
    - \_\_\_\_\_ days
    - \_\_\_\_\_ sales
  - Everyday Low Prices \_\_\_\_\_ – set on a consistent basis
  - \_\_\_\_\_ – offers merchandise in a given category at certain prices
    - Shirts at \$25, \$35, \$50
- Upper tier is better quality \_\_\_\_\_ brand
- Middle tier is for \_\_\_\_\_ priced brands
- Lower tier for \_\_\_\_\_ customers.

**Discount Pricing** – seller offers \_\_\_\_\_ from the usual price.

- \_\_\_\_\_ Discounts – offered to buyers to encourage them to pay their bills quickly.  
– 2/10, net 30
- \_\_\_\_\_ Discounts – offered for placing large orders
- \_\_\_\_\_ Discounts – like being “on sale”
- \_\_\_\_\_ Discount – offered outside the customary buying season
- \_\_\_\_\_ Discounts and Allowances – offered to wholesalers and retailers willing to advertise or promote a manufacturer’s products.

## Steps for Determining Prices

### •Determine Pricing\_\_\_\_\_

- \_\_\_\_\_ sales volume?
- Prestigious \_\_\_\_\_?
- Increase market share?

### •Study \_\_\_\_\_

- Can you make a \_\_\_\_\_?
- Can you \_\_\_\_\_ without affecting quality or image?

### •Estimate \_\_\_\_\_

- What do customers \_\_\_\_\_ to pay?
- Prices usually are directly \_\_\_\_\_ to demand.

### •Study \_\_\_\_\_

### •Decide on a \_\_\_\_\_

- Price \_\_\_\_\_ than the competition because your product is superior.
- Price \_\_\_\_\_, then raise it once your product is accepted.

### •Set \_\_\_\_\_

- Monitor and evaluate its \_\_\_\_\_ as conditions in the market change.